Committee Meeting Attendance Sheet

Assembly Committee on Agriculture

Date: 10/3/01	Meeting Type:	PuBLIC	HEVARING	AB 507
Location: 328 NA	J			
Committee Member Rep. Alvin Ott, Char Rep. Eugene Hahr Rep. John Ainsword Rep. Jerry Petrows Rep. Scott Suder Rep. Steve Kestell Rep. Gabe Loeffell Rep. Garey Bies Rep. Barbara Grord Rep. Joe Plouff Rep. Marty Reynold Rep. John Steinbrid Rep. Julie Lassa Rep. Marlin Schne Rep. Mary Hubler	air n th ski holz nemus	Present Yellow Y	Absent	
	Totals:	15		0
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Beata Kalies, Committee Clerk

Committee Meeting Attendance Sheet

Assembly Committee on Agriculture

Date: 10 16 01 N	leeting Type:	EXEC.	SESSION	AB 507
_ocation: ລວຣ NW				
Committee Member Rep. Alvin Ott, Chair Rep. Eugene Hahn Rep. John Ainsworth Rep. Jerry Petrowski Rep. Scott Suder Rep. Steve Kestell Rep. Gabe Loeffelholz Rep. Garey Bies Rep. Barbara Gronemus Rep. Joe Plouff Rep. Marty Reynolds Rep. John Steinbrink Rep. Julie Lassa Rep. Marlin Schneider Rep. Mary Hubler		Present	Absent	Excused
	Totals:			0

Beata Kalies, Committee Clerk

Vote Record

Assembly - Committee on Agriculture

Date: /°//4/0/					
Bill Number: An 500		4			
Moved by: REP. OT		Seconded by: Rep HAMN			
Motion: <u>UNANIMOUS</u> CONSENT TO	INTRODUCE	SUBSTITUTE 1	AMENDMENT TO A		
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Committee Member	<u>Aye</u>	No Abse	ent Not Voting		
Rep. Alvin Ott, Chair	\boxtimes				
Rep. Eugene Hahn					
Rep. John Ainsworth	\boxtimes				
Rep. Joan Wade]———		
Rep. Jerry Petrowski	\boxtimes				
Rep. Scott Suder	\nearrow				
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Rep. Gabe Loeffelholz					
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Rep. Barbara Gronemus					
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Rep. Marty Reynolds	\boxtimes				
Rep. John Steinbrink	\boxtimes				
Rep. Julie Lassa	\boxtimes				
Rep. Marlin Schneider	X				
Rep. Mary Hubler	K				
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Motion Failed

Motion Carried

Vote Record

Assembly - Committee on Agriculture

Date:	(3/16/01				
Bill Number:	AB 507				
Moved by:	bies.	Seconde	ed by: Hah	n	
Motion: AO	OPT SUBSTITUTE	AMEDMENT			
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Committee N	/lember	Aye	<u>No</u>	Absent N	Not Voting
Rep. Alvin Ott, C	hair	\boxtimes			
Rep. Eugene Ha	hn i i i				
Rep. John Ainsw	orth	\boxtimes			
Rep. Joan Wade					
Rep. Jerry Petro	wski	X			a for
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	Motion Carri	ed	Motion Fa	iled	

Vote Record

Assembly - Committee on Agriculture

Date: 10/16/01 Bill Number: As 507 Moved by: Rep. Hubben Motion: PASSAGE OF BILL AS						
			A	Mat Vating		
Committee Member	Aye	No	Absent	Not Voting		
Rep. Alvin Ott, Chair						
Rep. Eugene Hahn						
Rep. John Ainsworth						
Rep. Joan Wade						
Rep. Jerry Petrowski						
Rep. Scott Suder						
Rep. Steve Kestell	\boxtimes					
Rep. Gabe Loeffelholz	\boxtimes					
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Rep. Barbara Gronemus						
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Rep. Marty Reynolds						
Rep. John Steinbrink						
Rep. Julie Lassa						
Rep. Marlin Schneider						
Rep. Mary Hubler	X					
Totals:	15			<u> </u>		

Motion Failed

Motion Carried



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2001 Assembly Bill 507

Assembly Substitute Amendment 1

Memo published: October 23, 2001

Contact: Mark C. Patronsky, Senior Staff Attorney (266-9280)

Current Law

The current statute relating to storage and handling of anhydrous ammonia is intended to address concerns regarding the theft of anhydrous ammonia for use as an ingredient in the illicit manufacture of the drug methamphetamine. The current statute, s. 101.10, was created by 2001 Wisconsin Act 3. The effect of the statute is to impose more stringent penalties for these illegal activities, compared to the basic theft and property damage statutes.

The current statute has two basic provisions. First, the statute requires the Department of Commerce to promulgate rules that prescribe standards for the safe storage and handling of anhydrous ammonia. The statute describes in general terms the required contents of these rules and lists several exceptions to the rules. Second, the statute prohibits storing or transporting anhydrous ammonia in a container that does not meet the standards in Department of Commerce rules, and prohibits theft of anhydrous ammonia or the causing of damage to anhydrous ammonia equipment.

The Department of Commerce has promulgated rules related to the storage and handling of anhydrous ammonia in ch. Comm 43, Wis. Adm. Code. These rules were in place prior to the enactment of 2001 Wisconsin Act 3. The purpose of the new statutory mandate for rules in Act 3 is to provide a statutory cross-reference for the new prohibitions in Act 3.

Assembly Bill 507

Assembly Bill 507 is intended to address concerns regarding the scope of the statutory requirement for rules relating to anhydrous ammonia. The current statutory language may make these rules applicable to certain manufacturing or pollution control processes that were not intended to be subject to these rules. If the Commerce rules apply to such activities, violation of the rules as part of a manufacturing or pollution control process could result in a statutory violation for which the penalty is a felony.

Assembly Substitute Amendment 1

The substitute amendment takes a simpler approach to the rule-making mandate, by eliminating those parts of the current statute that describe the contents of and the exceptions from the rule. Thus, the scope of the anhydrous ammonia rules will be determined by the Department of Commerce.

The substitute amendment also adds an exemption to the imposition of a felony under current statute similar to the exemption for agricultural activities. Pursuant to this exemption, a person who stores or transports anhydrous ammonia in a container that does not meet the standards set by the Commerce rule, or transfers anhydrous ammonia into such a container, is subject to a civil forfeiture rather than a felony, if the person is working on anhydrous ammonia equipment with the consent of the owner of that equipment.

Assembly Substitute Amendment 1 was introduced by the Assembly Committee on Agriculture and recommended for passage by a vote of Ayes, 15, Noes, 0.

MCP:rv:jal;ksm

Assembly Republican Majority Bill Summary

AB 507: Anhydrous Ammonia Revisited

Relating to: creating an exemption from regulation of anhydrous ammonia.

By Representatives Ott, Freese, Ainsworth, Duff, J. Fitzgerald, Hahn, Jeskewitz, Musser, Olsen, Meyerhofer, Ward, Starzyk, Vrakas, Gronemus and Lippert, cosponsored by Senators Hansen, Erpenbach, Harsdorf, Roessler and Cowles.

Date: October 25, 2001

BACKGROUND

Under current law, rules relating to safe storage and handling of anhydrous ammonia are promulgated by the Department of Commerce and specified in the statute. The rules generally do not apply to facilities where anhydrous ammonia is manufactured, refrigeration plants where ammonia is used solely as a refrigerant, electric generating or co-generating facilities where ammonia is used as a refrigerant, and ammonia transportation pipelines. The 2001 Wisconsin Act 3 prohibited theft, transportation in nonstandard container or causing damage to anhydrous ammonia equipment.

SUMMARY OF AB 507 (AS AMENDED BY COMMITTEE)

Assembly Bill 507, was drafted to address the unintended application of the rules and felony penalties in manufacturing of certain pollution control devices among others. This bill eliminates the description of rule contents and exceptions, allowing Department of Commerce to determine rules and code violations. Also adds an exemption from felony penalty for those who use anhydrous ammonia for legitimate purposes

AMENDMENTS

Assembly Substitute Amendment to Assembly Bill 507 eliminates the description of rule contents and exceptions, allowing Department of Commerce to determine rules and code violations. Also adds an exemption from felony penalty for those who use anhydrous ammonia for legitimate purposes [adopted 15-0].

FISCAL EFFECT

No fiscal effect expected.

PROS

- 1. Assembly Bill AB 507, as amended eliminates the unintended application of current statute and restores regulation.
- 2. This legislation allows utilization of anhydrous ammonia to reduce emissions in pollution control devices as well as adaptation of new technology while maintaining regulatory control.
- 3. Assembly Bill 507 adds an exemption similar to one for agricultural activity for storing or transporting anhydrous ammonia in a nonstandard container thus resulting in a civil penalty rather than a felony.

CONS

None apparent.

SUPPORTERS

Rep. Al Ott, author; Sen. Dave Hansen, lead co-author; Barry McNulty, Wisconsin Energy Corporation; Tom Liebe, Wisconsin Energy Corporation; Senator Jon Erpenbach.

OPPOSITION

Chief Paul Guilbert, Village of Pleasant Prairie (the bill addresses his concerns).

HISTORY

Assembly Bill 507 was introduced on September 24, 2001, and referred to the Assembly Committee on Agriculture. A public hearing was held on October 3, 2001. On October 16, 2001, the Committee voted 15-0 to recommend passage of AB 507 as amended.

CONTACT: Beata Kalies, Office of Rep. Al Ott

submitted by Dept of Commerce 10/3/01 Public Heaving on 13 807

October 3, 2001 Assembly Committee on Agriculture

Department of Commerce Proposed Amendments

101.10 Storage and handling of anhydrous ammonia. (1) DEFINITIONS. In this section:

- (a) "Agricultural activity" means planting, cultivating, propagating, fertilizing, nurturing, producing, harvesting, or manufacturing agricultural, horticultural, viticultural, or dairy products; forest products; livestock; wildlife; poultry; bees; fish; shellfish; or any products of livestock, wildlife, poultry, bees, fish, or shellfish.
- (b) (a) "Anhydrous ammonia equipment" means any equipment that is used in the application of anhydrous ammonia for an agricultural purpose or that is used to store, hold, transport or transfer anhydrous ammonia.
 - (c) (b) "Transfer" means to remove from a container.
- (2) RULES. The department shall promulgate rules that prescribe reasonable standards relating to the safe storage and handling of anhydrous ammonia. The rules shall prescribe standards for the design, construction, repair, alteration, location, installation, inspection, and operation of anhydrous ammonia equipment. Except as otherwise provided in this subsection, the rules promulgated under this subsection do not apply to refrigeration plants where ammonia is used solely as a refrigerant, facilities where ammonia is manufactured, electric generating or cogenerating facilities where ammonia is used as a refrigerant, and ammonia transportation pipelines. If ammonia is used on the premises of a facility or plant described under this subsection for a purpose or in a manner that is not related to the applicable exemption from the rules promulgated under this subsection, the exemption does not apply to that use.
 - (3) PROHIBITIONS. No person may do any of the following:
- (a) Store, hold, or transport anhydrous ammonia in a container that does not meet all applicable requirements established by rules of the department promulgated under sub. (2).
- (b) Transfer or attempt to transfer anhydrous ammonia into a container that does not meet all applicable requirements established by rules of the department promulgated under sub. (2).
- (c) Transfer or attempt to transfer anhydrous ammonia without the consent of the owner of the anhydrous ammonia.
- (d) Intentionally cause damage to anhydrous ammonia equipment without the consent of the owner of the anhydrous ammonia equipment.
- (e) Intentionally take, carry away, use, conceal, or retain possession of anhydrous ammonia belonging to another or anhydrous ammonia equipment belonging to another, without the other's consent and with intent to deprive the owner permanently of possession of the anhydrous ammonia or anhydrous ammonia equipment.
- (4) PENALTIES. (a) Any person who violates a rule of the department promulgated under sub. (2) may be required to forfeit not less than \$10 nor more than \$100 for each violation.
- (b) Except as provided in par. (c), any person who violates sub. (3) may be fined not more than \$10,000 or imprisoned for not more than 3 years and 6 months, or both, for each violation. Notwithstanding s. 101.02 (12), each act in violation of sub. (3) constitutes a separate offense.
- (c) Any person who violates sub. (3) (a) or (b) while performing an agricultural activity may be required to forfeit not less than \$10 nor more than \$100 for each violation.

Public Hearing on 13 507-10/3/01 (2) Rep. Al off author 1814 Speaker explaned the working of The Gill hel. how we are attempting to work out the differences ... between Commerce + Energy Co. Rep. Schneren brought up a loophole that polution control devies au not defined in statute 2) Tom LIGBE
(2) BARRAN MC NULTY Zue speaker, representing - Usc. Evenon co. Holding Co for Misconsii Electric + Wisconsii Gas -Nox emissions from high sulfur wal can be minimum by any a method that whiliges Anhy drows Ammoniz. - least costly your flow Rates while actions The deshed reduction - we should not make it more difficult ... - Concerned above the "filon" lobel when employees are mishandery the stuff. That have to wait year for rule to be approved.

- Comprouses are trying to account new true owliges.

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doing so

especially when one department

tell them to do something to another direct how.

(4) MIKE CORPY + BETWIE MATTSON, dept of Commerce

Chem. Engineer, Propum Hamager

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used as a refrigeration

+ Refrigeration Come 45 when it is refrigerated

to keeping lig. state

- Has ability to regulate when its asso for refrigeration purpose removes.

- More recent a more spenfic law will overrule more general or previous law.

- also have an issue with the penaltres general code violation come get bogher
penalty as a result of Act 3

6 chief Guilbret - test fiel regulers bocal issue, don't want local

Ag Committee

Good morning – afternoon:

I am Paul Guilbert, I am the Chief of Fire & Rescue for the Village of Pleasant Prairie. Pleasant Prairie has an estimated population of 16,000 people and is located in Kenosha County, we are southeast Wisconsin in that we located on Lake Michigan and the border of IL.

As the Fire Chief for the past 15 years, I have been directly involved with the public safety of our village residents during a time when we have experienced significant economic development and have realized a one billion dollar increase in tax base.

This could only be accomplished through public and private partnerships due to the combined effort of local, County, State and federal government afforts.

I am here to speak against Assembly Bill 507. The passage of this bill will change rules previously set in place for the protection of the public good, let me be more specific. "The department shall promulgate rules that prescribe reasonable standards relating to the safe storage, and handling of anhydrous ammonia. The rules shall prescribe standards for the design, construction, repair, alteration, inspection, and operation of anhydrous ammonia".

There will be significant impact on a community, in particular if that community is an urban community, if pollution control devices are exempted from this regulation.

Power Plants within Wisconsin can be found in extreme environments, from rural areas to downtown Milwaukee, Pollution Control devices require the use of large amounts of Anhydrous Ammonia. Currently the design, installation and use is regulated by the

Department of Commerce or Agriculture. To remove that provision, you will have denied the State and the respective communities their right to oversight and regulatory control.

Anhydrous Ammonia is the most commonly produced chemical in the United States. Some of the uses include agriculture, refrigeration and controlling air pollution, The difference between its use in refrigeration and air pollution control, refrigeration systems are closed systems, you fill them up and typically they remain full, Air pollution control devices are open ended, you bring in the Anhydrous Ammonia, use it and then bring in more, it never ends, truck after truck, rail car after rail car, the risk of an accident increases with each transfer from truck or rail car.

To make the statement that there is no fiscal impact by the passage of this bill is simply not true. It has no fiscal impact on the state budget, but does in fact impact, local municipal budgets. Local communities will receive no additional money to take care of existing problems, or other hazards that may be added, i.e. Air Pollution Control Devices. With the change in the Utility Tax, the village will see even less revenue. My village does not wish to get rich, but we do not want to subsidize the cost of reviewing projects that used to be reviewed by the State. Additionally, there will be no additional funding to those municipalities that can be exposed to a plume created by an accidental release.

Pleasant Prairie is the location of the largest coal burning power plant in the state and is a major supplier of the power used by Wisconsin residents. We recognize the important role this plant plays in the overall source of power, however, the amounts of anhydrous ammonia proposed for this facility could have a detrimental affect on our

community, using computer modeling a release of 30,000 gallons of anhydrous ammonia will create a plume covering up to 8 miles which can travel beyond our boundaries into the City of Kenosha, the Towns of Somers, Paris and Bristol or across the order into the Sate of IL.

We are aware of alternative methods to control air pollution. By removing the regulatory power of the state, you have removed the incentive to seek and evaluate alternatives. In addition, if the State of Wisconsin removes itself from the review process, the local community or communities will have to fund the cost of contracting experts to review such plans,

In that multiple communities, multiple fire departments, multiple police and sheriff departments can be affected by a single plume or release, it is important that the part of State remain in the evaluation process. The Village of Pleasant Prairie believes in being responsible and performing due diligence, other communities may not have the wherewithal to do the same, that is unfortunate, when the impact can affect other communities as well, more the reason for the rules not to change.

I ask that you allow the provisions of the current regulations to remain in place,
Allow those regulations to protect the first responders, the fire fighters who will be called
to handle an emergency, that emergency can expose the fire fighters to an incredible risk,
leave the regulation in place rather then provide convenience for the Utility companies.

cppfr/P-4 Pleasant Prairie Power Plant/Anhydrous Ammonia